



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

September 2, 2005

Mr. Gordon Ziegler
Ziegler Chemical and Minerals
366 North Broadway, Suite 210
Jericho, New York 11753-2000

Subject: Approval of Drilling Proposal for Independent Vein, Ziegler Chemical and Mineral, Cowboy/Bandana Project, M/047/013, Uintah County, Utah

Dear Mr. Ziegler:

The Division of Oil, Gas and Mining approves your proposal to drill in federal lease U-0126939 on the Independent Vein. On August 9, 2005, the Bureau of Land Management notified the Division that they had issued conditional approval for this proposal. The Division coordinated its review with the BLM, and the issues we identified have been resolved. You will need to comply with the conditions imposed by the BLM.

Future changes to the operation and reclamation plan should be made by either providing a completely new plan or by adding, replacing, or removing pages to the current plan. Text changes should be shown in a redline/strikeout format until they are conditionally approved. The change application should be accompanied by a cover letter describing the contents and detailed instructions for adding or replacing pages and maps to the current plan. The change application must be complete and not rely on additional materials to be submitted at a later date.

Thank you for your cooperation in completing this permitting action.

Sincerely,

Susan M. White
Minerals Regulatory Program
Mining Program Coordinator

SMW:PBB:jb

cc: Stan Perkes, BLM State Office
Pete Sokolosky, Vernal BLM
Stan Wagner, Ziegler

O:\M047-Uintah\M0470013-Ziegler\Final\app-drill-09022005.doc